

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING
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RECEIVED

JAN 31 2012

DIV. OF OIL, GAS & MINING

LARGE MINING OPERATIONS PROGRESS REPORT

January 1, 20¹¹ to December 31, 20¹¹

The information required in this form is based on provisions of the Mined Land Reclamation Act, Title 40-8, and the R647 rules under the Utah Minerals Regulatory Program. It is due January 31 of each year.

1. Mine Permit Number: M470103
2. Mine Name: Southwest # 1
3. Name of Operator/Permittee: Red Leaf Resources

Note: If Operator's address, company representative or phone number have changed, please provide a replacement page for the Notice of Intention together with form MR-REV available on the Division's web page at https://fs.ogm.utah.gov/pub/mines/minerals_related/forms/MR-REV.pdf.

4. Report the gross amount of ore mined and waste moved:

Gross Ore Mined 0 Tons, or 0 yd³Waste Material Moved 0 Tons, or 0 yd³

5. New disturbance created during the year N/A Acres
Area reclaimed during the year * Acres
Total disturbed area at the end of the year * Acres*

*The total disturbed area should not be greater than the permitted/bonded acreage

6. Briefly describe the reclamation work performed during the past year. (Submit form MR-SITE (https://fs.ogm.utah.gov/pub/mines/minerals_related/forms/MR-SITE.pdf) to apply for full or partial bond/site release). Attach additional sheets if needed.
* Same 4.97 acres as under SMO (5470102)
N/A: permit is still pending approval

7. Include an updated map depicting surface disturbance and reclamation performed during the year (Rule R647-4-105).

I hereby certify the information provided in this report is true and correct to the best of my knowledge and belief.

Name (Typed or Print): Dr. Laura S NelsonTitle of Operator: VP, Energy & Environmental DevelopmentSignature of Operator: [Signature]Date: January 30, 2012